

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.  
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : 08-13555 (JMP)  
Debtors, : (Jointly Administered)  
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**FIRST SUPPLEMENTAL DECLARATION OF MICHAEL MORGESE ON BEHALF OF  
MMOR CONSULTING INC. RELATED TO THE EMPLOYMENT AND RETENTION OF  
MMOR CONSULTING INC. AS TAX SERVICES PROVIDER, *NUNC PRO TUNC* TO JUNE 1, 2010.**

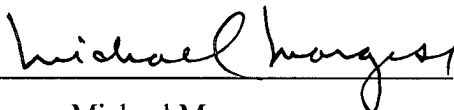
I, Michael Morgese declare the following to be true under penalty of perjury:

1. I am the President of MMOR Consulting, Inc. (“MMOR” or the “Firm”) and am duly authorized to make this declaration (the “Declaration”) on the Firm’s behalf.
2. MMOR has been performing tax advisory services in connection with the ongoing state and local tax audits of Lehman Brothers Holdings, Inc. (“LBHI”) and subsidiaries.
3. The scope of MMOR’s retention is detailed more fully in the Application of the Debtors Pursuant to Section 327(a) and 330 of the Bankruptcy Code and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure for Authorization to Employ and Retain MMOR as Tax Services Provider to the Debtors (the “Retention Application”) [Docket No. 11682].
4. I submitted a declaration in connection and in support of the Retention Application, which was attached to, and filed with, the Retention Application as Exhibit B.
5. In the Original Declaration, I disclosed that MMOR neither holds nor represents an interest adverse to the Debtors or their estates. *Original Declaration*, ¶7.

6. Subsequent to the execution of the Original Declaration and filing of the Retention Application, MMOR determined that in accordance with Rule 2014, it should disclose that it has been representing Lehman Brothers Inc. ("LBI"), which I understand is not a chapter 11 debtor in the above-captioned cases, but is being liquidated in a proceeding commenced under the Securities Investor Protection Act of 1970, with respect to several ongoing state and local tax audits. MMOR's handling of LBI's audits in those states in which LBI files as a separate company is not adverse to the Debtors or to the Debtors' estates. MMOR has received conflict waivers from both LBI and LBHI.

I declare under penalty of perjury that the foregoing facts set forth in this declaration are true and correct to the best of my knowledge, information, and belief.

Dated: September 30, 2010

  
Michael Morgese